



BadgerCare Plus Update

January and February 2014

In-Person Partner and Stakeholder Trainings

Wisconsin DHS

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Agenda

- Entitlement Reform Update
 - BadgerCare Plus 2014 Policy Changes
 - Federal approval of BadgerCare Plus Waiver
- Overview 2014 BadgerCare Plus Policy and System Changes
 - System Changes
 - New Income Limits
- New Implementation Timeline
- Assisting BadgerCare Plus Members and Applicants
- Modified Adjusted Gross Income (MAGI)
- Questions
 - Please note that this presentation, including these slides, will be available at dhs.wisconsin.gov/health-care/.

Background

- Act 20, the 2013-15 state budget includes:
 - Changes in income limits for some BadgerCare Plus (BC+) groups, and
 - BadgerCare Plus Standard Plan coverage for all eligible pregnant women, parents and caretakers, children, and adults age 19-64 without dependent children living in the household (commonly referred to as “childless adults”).
- The Affordable Care Act (ACA) implements:
 - New “MAGI” rules to align eligibility between BC+ and the Marketplace.

Entitlement Reform Update

- Governor Walker signed Special Session Assembly Bill 1 into law, delaying most BC+ program changes until April 1, 2014.
- The Centers for Medicare and Medicaid Services (CMS) approved the delay, with one change:
 - Beginning February 1, 2014, all new applicants will be subject to MAGI rules. As part of this, the new income limit (100% FPL) will be applied to parents and caretaker relatives who are newly applying for BadgerCare Plus.



Entitlement Reform Update – State Legislation

- As a result of CMS's change, a technical modification was needed to align Wisconsin statutes with CMS requirements.
- Governor Walker signed AB 610/SB 475 into law on January 16, 2014, aligning Wisconsin statutes with the CMS requirements.



BadgerCare Plus Waiver Approval

- On January 9, 2014, Wisconsin and CMS formally agreed to a new Medicaid waiver to serve adults without dependent children living in poverty.
- More detailed information about the waiver is available at:
dhs.wi.gov/badgercareplus/waivers.htm.



BadgerCare Plus 2014 Policy and System Changes



BadgerCare Plus Income Limits

2013 Federal Poverty Level (FPL) Guidelines*

Family Size	Monthly Income Limit for Adults (100% FPL)	Monthly Income Limit for Children and Pregnant Women (300% FPL)
1	\$958	\$2,873
2	\$1,293	\$3,878
3	\$1,628	\$4,883
4	\$1,963	\$5,888
5	\$2,298	\$6,893

*Note: FPL limits are subject to change

- For complete and updated FPL charts, see: <http://badgercareplus.org/fpl.htm>.

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Entitlement Reform Update

- ACCESS will be updated February 3rd. All applications submitted in February, including those of adults with no dependent children, will be processed for possible BadgerCare Plus enrollment and will have MAGI applied.
 - The new BadgerCare Plus income limit (100% FPL) will be applied to parents and caretaker relatives who apply on or after February 1, 2014 for coverage starting the month they applied.
 - Newly eligible adults age 19-64 without dependent children living in the household (childless adults) cannot begin coverage until April 1, 2014.



BadgerCare Plus Policy Changes: Parents & Caretaker Relatives

- Effective February 1, 2014 for new applicants and April 1, 2014 for current members.
- Parents and caretaker relatives are eligible at or below 100% FPL:
 - No monthly premiums,
 - No insurance access and coverage test, and
 - Receive Standard Plan Benefits.
- Over 100% FPL → will have access through the Marketplace.

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BadgerCare Plus Policy Changes: Adults with no Dependent Children

- Adults with no dependent children are eligible at or below 100% FPL:
 - Receive Standard Plan Benefits – a full benefits plan,
 - No monthly premiums or annual enrollment fee,
 - HNA (Health Needs Assessment) is no longer tied to enrollment, and
 - No insurance access and coverage test.
- Over 100% FPL → Access through Marketplace.



BadgerCare Plus Policy Changes: Adults with no Dependent Children

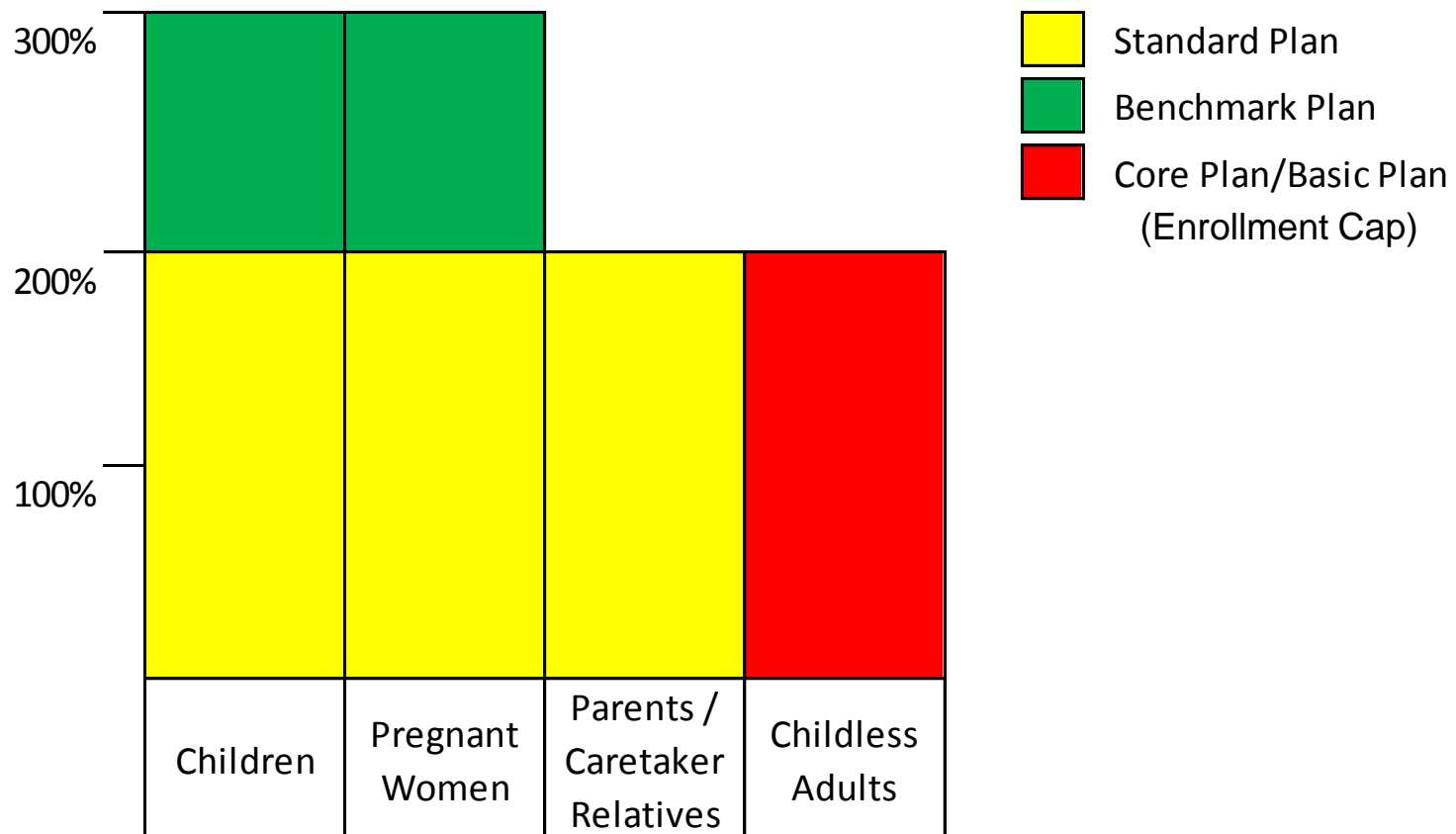
- BadgerCare Plus Emergency Services is a limited BadgerCare Plus benefit for applications that do not meet the BadgerCare Plus citizenship eligibility requirements.
- ****Important note****: BadgerCare Plus Emergency Services will **not** be available for BadgerCare Plus “childless adults”.



BadgerCare Plus Policy Changes: Children and Pregnant Women

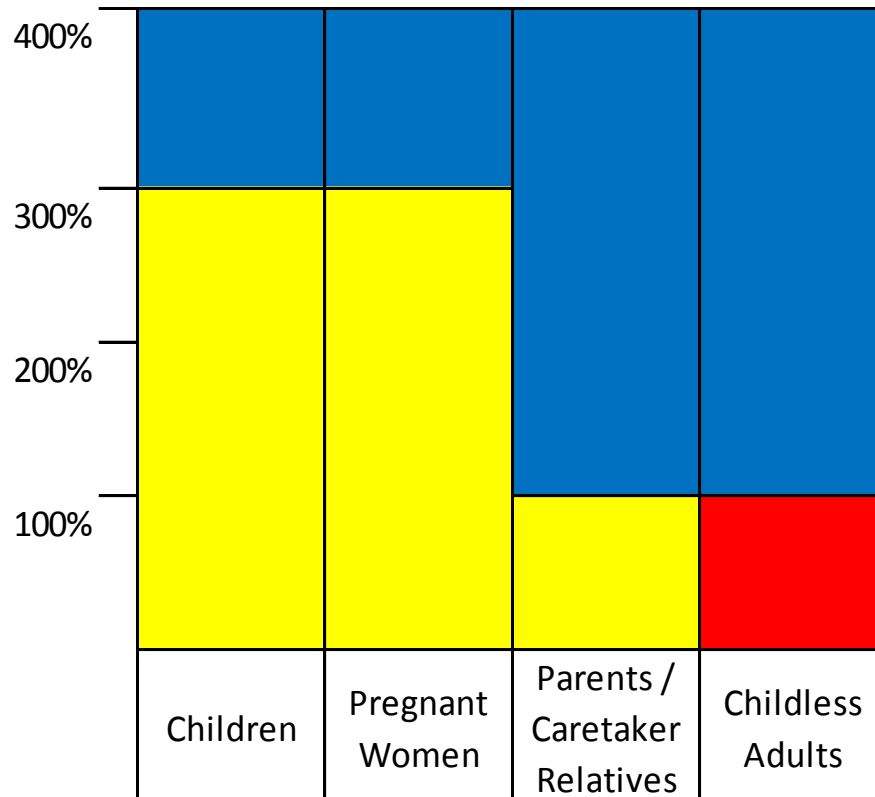
- Children and pregnant women are eligible at or below 300% FPL:
 - Monthly premiums for children with a household income above 200% FPL and
 - Note: Those over 300% FPL may be able to enroll in BC+ if they meet a deductible
- Over 300% FPL → Access through Marketplace.

BadgerCare Plus Enrollment and Benefits Prior to February 1, 2014





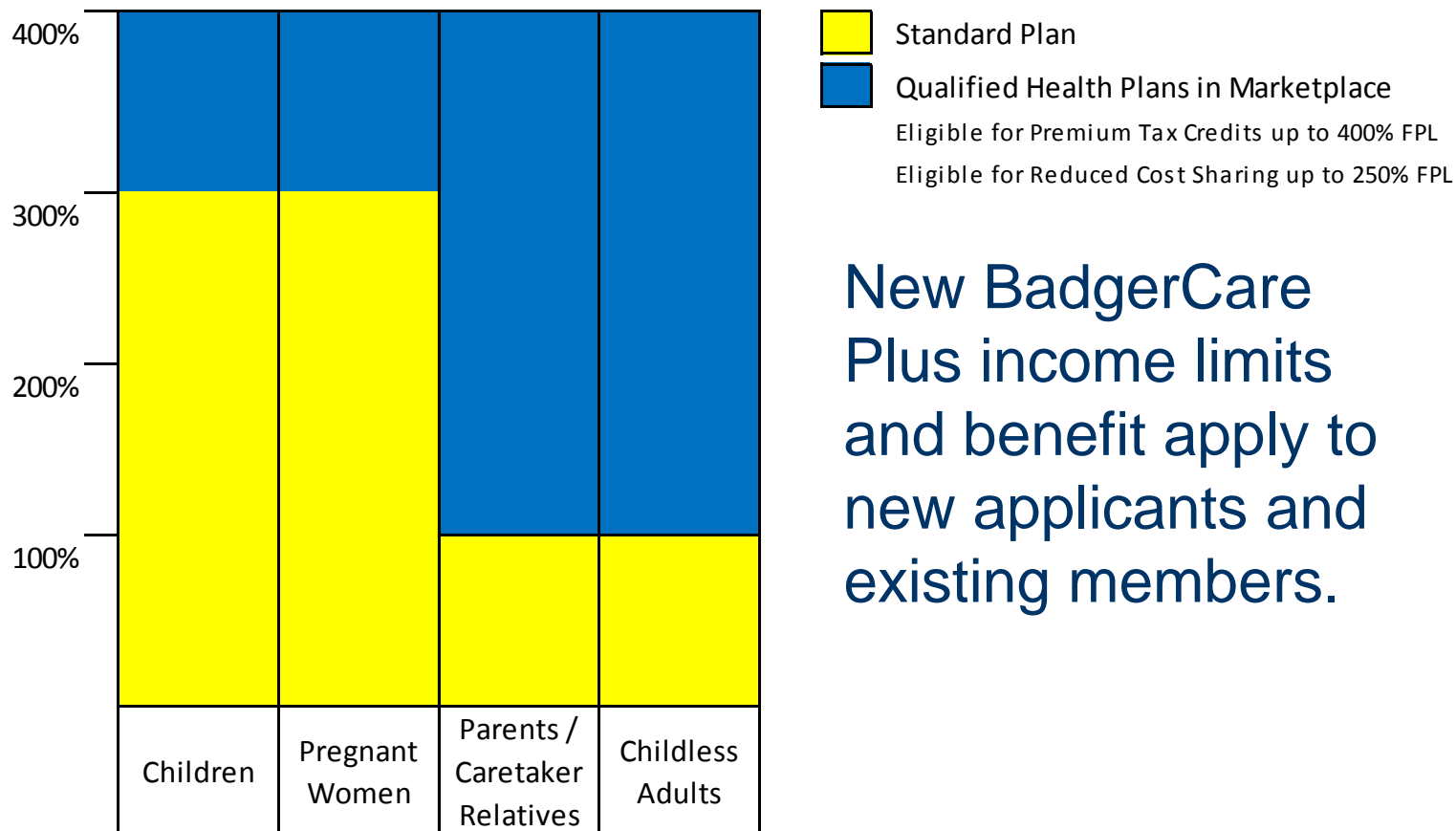
February 1, 2014 BadgerCare Plus & Marketplace Enrollment and Benefits (*New Applicants)



- Standard Plan
- Core Plan/Basic Plan (Enrollment Cap)
- Qualified Health Plans in Marketplace
 - Eligible for Premium Tax Credits up to 400% FPL
 - Eligible for Reduced Cost Sharing up to 250% FPL

*This chart refers to new applicants only. Current BadgerCare Plus members will maintain eligibility in their current programs (Standard, Benchmark Core, Basic) through March 31, 2014, as long as they continue to meet current program rules.

April 1, 2014 BadgerCare Plus & Marketplace Enrollment and Benefits



New BadgerCare Plus income limits and benefit apply to new applicants and existing members.



UPDATED IMPLEMENTATION DATES



Important Dates

- Week of December 23, 2013: Updated informational mailings regarding the delay of BadgerCare Plus policy changes were sent to the following populations:
 - **Letter 1A**: Sent to current BadgerCare Plus members that may need to purchase private health insurance through the Marketplace for coverage after March 31, 2014.
 - Non-Pregnant adults above 100% FPL
 - Children above 300% FPL
 - **Letter 3A**: Sent to individuals on the BadgerCare Plus Core Plan waitlist.
- Visit the following page for information on these letters:
dhs.wisconsin.gov/em/CustomHelp/bcpleters.htm.

Important Dates – Continued

- February 1, 2014
 - MAGI rules will be implemented for all new applicants.
 - New income limits will be implemented for new parents and caretaker relative applicants.
 - **Please Note:** Parents and caretakers with incomes from 100% to 200% FPL who are enrolled in BadgerCare Plus as of January 31, 2014 will remain eligible through March 31, 2014, as long as they continue to meet program rules.

Important Dates – Continued

- February 3, 2014:
 - Adults without dependent children can begin submitting new applications via ACCESS, over the phone, or in person at their local agency. **Please note that newly eligible adults without dependent children will begin coverage no earlier than April 1, 2014.**
 - Am I Eligible will be updated with MAGI rules.
 - Another tool you can use to determine if someone should apply through ACCESS or the Marketplace.
- February 17, 2014: Notices will begin to be mailed to members who have a change in eligibility or plan effective April 1 because of income limit and benefit plan changes.
- April 1, 2014: Newly eligible adults begin coverage.



ASSISTING BADGERCARE PLUS MEMBERS & APPLICANTS



Marketplace Applications: Assessment vs. Determination

- Wisconsin is a Determination State
 - Applications submitted to the Marketplace between October 1, 2013 and December 31, 2013.
 - Marketplace processes applications that WI residents submit and determine them eligible to be enrolled in BC+.
- Wisconsin is an Assessment State
 - Applications submitted to the Marketplace beginning January 1, 2014.
 - Marketplace transfers applications of WI residents who appear to be eligible for BC+ and Wisconsin IM workers process the application and determine BC+ eligibility.

See Handout for additional information

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Account Transfers

- Account Transfers = method the Marketplace and Wisconsin will use to transfer cases back and forth.
- Currently, Wisconsin is working with CMS to validate small batches of test account transfer files to ensure the transfer process is working properly.
- Once account transfer process is up and running DHS will:
 - Enroll individuals who were determined eligible by the Marketplace December 31, 2013 and earlier, and
 - Process the applications received by the Marketplace beginning January 1, 2014.
 - Transfer BadgerCare Plus applications/cases processed using MAGI rules to the Marketplace when someone in the household is not able to enroll in BadgerCare Plus.



Incorrect Marketplace Determination

- Members can remove an application from their Marketplace account and submit a new one. If members have any questions, call the Marketplace at 1-800-318-2596.

Partners Assisting Clients - Reminders

- Community partners, health care providers, and other stakeholders are a vital component of Wisconsin's Medicaid enrollment strategy.
- It is important to remember that only Income Maintenance agencies can make eligibility determinations, which include calculating the correct household size and income.
- Community partners should encourage and assist all interested applicants in applying for health care coverage.

Assisting Current BadgerCare Plus Members

- If a current BadgerCare Plus household has not received Letter 1A and continues to meet BadgerCare Plus program rules including the new income limits, they will continue to be enrolled in BadgerCare Plus and do not need to re-apply.
- If a household has received Letter 1A, and/or is above the new BadgerCare Plus income limits, they should apply for and purchase private health insurance through the Marketplace.
 - The household can stay enrolled in BadgerCare Plus until March 31, 2014, as long as they continue to meet program rules and pay any premiums that may be due.
 - The household will receive a letter about its enrollment status in March.



Assisting Current BadgerCare Plus Members

- If a current BadgerCare Plus household who received Letter 1A wants to see if they can stay enrolled in BadgerCare Plus under the new MAGI rules they can fill out and return the Tax Filer Information Form (F-00914) which was included with Letter 1A .
 - As some types of income, like child support, will not be counted under the MAGI rules, members may want to fill out this form.



Assisting Current BadgerCare Plus Members

- Filling out the TFI Form is optional; however, it allows DHS to test members under new MAGI rules to see if application of MAGI rules results in continued eligibility for BadgerCare Plus after new income limits are applied for April 1, 2014.
- Members who received Letter 1A and a TFI form and choose to fill it out needed to return the TFI form by January 17, 2014.
- If a member did not fill out the form but wants to see if they may still be eligible under the new MAGI rules, they should contact their agency.



Assisting Newly Eligible BadgerCare Plus Applicants

- If someone has received Letter 3A or is currently uninsured AND is **at or below 100% FPL**, they should apply for BadgerCare Plus coverage either through the federal Marketplace or ACCESS.
 - Note that the ACCESS online application tool will begin accepting these applications on February 3, 2014.



Assisting Newly Eligible BadgerCare Plus Applicants

- If someone has received Letter 3A or is currently uninsured AND **is above 100% FPL**, they should purchase private health insurance through the federal Marketplace at healthcare.gov/.
 - Note that if applicants apply through ACCESS after February 3, 2014, and are determined to be above 100% FPL, DHS will transfer their information to the Marketplace.

Assisting Households with Children

- Households with uninsured children should apply immediately for BadgerCare Plus coverage.
- For BadgerCare Plus coverage prior to March 31, 2014:
 - Children under age 19 with household income at or below 200% FPL can enroll without a premium.
 - For households with income above 200% FPL, children under age 19 will have a monthly premium.

Assisting Households with Children

- For BadgerCare Plus April 1, 2014 and later:
 - Children under age 19 with household income at or below 200% FPL can enroll without a premium.
 - For households with income between 200% and 300% FPL, children under age 19 will have a monthly premium.
 - For households with income above 300% FPL, children under age 19 can enroll in BadgerCare Plus after meeting a deductible.
- Children in households with income above 300% FPL can also purchase health insurance through the Marketplace or the private market.

Application – Providing Complete Information

- It is important, but not required, that applicants have the name(s), date(s) of birth, and, where applicable, Social Security Number(s) for all individuals in the household.
- Having this information allows Income Maintenance Agencies to utilize data exchanges to verify some information provided on the application and reduce the amount of information or proof that the individuals is asked for on the verification checklist, if necessary.

IMPORTANT REMINDER!

- **Please note:** ONLY Income Maintenance workers can determine a member or applicant's eligibility for BadgerCare Plus. If in doubt, refer the member or applicant to their local agency to get further assistance.



MODIFIED ADJUSTED GROSS INCOME (MAGI)



What is “MAGI”?

- MAGI = Modified Adjusted Gross Income.
- Refers to new household composition and budgeting rules.
- Members and applicants will be asked some different questions about their tax status, tax dependents, and tax deductions.
- Introduced by ACA to align BadgerCare Plus eligibility rules with tax rule-based policy in the Marketplace.

BadgerCare Plus Income

Under MAGI, countable income = taxable income.
This includes (but is not limited to):

- Taxable Earned Income,
- Taxable Net Self-Employment Income,
- Unemployment Compensation,
- Alimony/Spousal Maintenance, and
- Social Security Income.

BadgerCare Plus Income

Some common income types that will **NOT** be counted for BadgerCare Plus eligibility include:

- Child Support,
- Supplemental Security Income (SSI),
- Workers' Compensation, and
- Veterans Benefits.

New Types of Countable Income

- Financial aid, if used for living expenses.
- All Tribal per capita payments from gaming revenue.
- AmeriCorps income.
- Taxable retirement, pension and annuities.
- Interest & dividends.
- Lump sum income counted in month received.

Whose income is counted?

- In general, everyone in an assistance group will have their income counted.
- In some cases, children and tax dependents' income will not be counted, if their income is so low that they are not required to file taxes.

Tax Deductions

- Pre-tax deductions are allowed as deductions.
 - For example, contributions to health savings accounts.
- Tax deductions listed on page 1 of Tax Form 1040 are also allowed. Examples include:
 - Student loan interest paid,
 - Higher education expenses, and
 - Self-employment tax.
- Itemized deductions are not allowed.

Who is Subject to MAGI Rules?

- BadgerCare Plus Members:
 - Children,
 - Parents and caretaker relatives,
 - Pregnant women, and
 - Adults with no dependent children.
- Family Planning Only Services (FPOS) members will be subject to MAGI income rules, but always with a group size of one.

Who is Not Subject to MAGI Rules?

- MAGI rules do ***not*** apply to:
 - Elderly, blind and disabled groups
 - Elderly, Blind and Disabled (EBD) Medicaid
 - Long-Term Care (LTC) Waiver Enrollees
 - SeniorCare
 - QMB, SLMB, SLMB+
 - MAPP
 - Well Woman Medicaid
 - Categorically eligible populations
 - Former Foster Care Youth

Reminder – “Expect to...”

- For MAGI questions, ACCESS will ask about what individuals are planning to do for the current tax year in which they are applying, not the previous year.
- Example: If applying for benefits in March 2014, ACCESS will ask about the taxes that the individual ***expects to*** file in 2015 for income that he or she has in 2014.

Reminder – Documents

- Except for self-employed individuals, applicants will not be required to submit tax documents from previous years.
- However, some previously filed tax documents, such as a Form 1040, may be helpful in figuring out how individuals plan to file for the current year. They could help figure out:
 - Whether spouses file jointly or are married filing separately, and
 - Who and when they have claimed tax dependents in the past.
- Current pay stubs can also help someone find out what pre-tax deductions they have.
 - It will be helpful for the applicant to have their pay stubs available, if applicable, when they complete their application.



IMPORTANT REMINDER!

- **Please note:** ONLY Income Maintenance workers can determine a member or applicant's eligibility for BadgerCare Plus. If in doubt, refer the member or applicant to their local agency to get further assistance.



More Information on BadgerCare Plus Policy Changes

- For more information about the 2014 BadgerCare Plus policy changes, please visit <http://www.dhs.wisconsin.gov/health-care/>.
 - Previous web-based trainings, frequently asked question (FAQ) documents and other resources are available at this site.
- The BadgerCare Plus Eligibility Handbook has been updated with the 2014 policy changes, however, many changes will not take effect until April 1, 2014.
 - The BadgerCare Plus Eligibility Handbook is available at <http://www.emhandbooks.wisconsin.gov/bcplus/bcplus.htm>.



Questions?

Don't forget, you can submit questions online at dhshealthcare@wisconsin.gov.*

***Note:** Do not send personal health information or personally identifiable information to this email.